UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trademark Office
Trademark Trial and Appeal Board
2900 Crystal Drive
Arlington, Virginia 22202-3513

THIS DISPOSITION IS NOT CITABLE AS PRECEDENT OF THE TTAB 1/13/00

CBG

Opposition No. 94,072[1]

Health Net

v.

Mid-America Health Network, Inc.

Before Simms, Cissel and Quinn, Administrative Trademark Judges.

By the Board:

Applicant Mid-America Health Network, Inc. seeks to register the mark HEALTHNET HORIZONS for use in connection with "mental health care cost containment and utilization review services and the provision of the names of contracted physicians and other health care professionals to interested parties."[2]

Health Net has opposed registration under Section 2(d) of the Trademark Act on the ground that applicant's mark, if used in connection with applicant's services, would so resemble opposer's previously used and registered mark

[1] This case has not been consolidated with the related proceeding, Opposition No. 93,163.
[2] Application Serial No. 74/351,017, filed January 22, 1993, based on applicant's *bona fide* intention to use the mark in commerce.

HEALTH NET for "medical and hospitalization insurance underwriting"[3] as to be likely to cause confusion.

In its answer, applicant denied the salient allegations of the notice of opposition, and set forth "affirmative defenses." Further, applicant asserted a counterclaim to cancel opposer's pleaded registration on the ground of fraud. More specifically, applicant asserted that the statements as to first use were false, and that opposer had not used the mark in commerce when the application was filed.

This case now comes up on opposer's motion for summary judgment, filed September 30, 1999, on its pleaded Section 2(d) claim,[4] with certificates of mailing and service dated September 27, 1999, and on applicant's motion to extend time to respond thereto, filed October 15, 1999. Opposer's opposition to applicant's motion to extend is acknowledged. Applicant filed its response to the summary judgment motion on November 22, 1999, but the timeliness of the response is dependent on our approval of applicant's motion to extend.

[3] Registration No. 1,147,331, issued February 17, 1981; combined Sections 8 and 15 affidavit filed. The word "Health" is disclaimed apart from the mark as registered.

[4] We granted opposer's prior motion for summary judgment in the related proceeding on June 29, 1999, and entered judgment in opposer's favor on its claim of priority and likelihood of confusion. However, applicant's mark and services differ somewhat in the two oppositions. Further, the summary judgment has not, at this time, become a final judgment. Therefore, issue and claim preclusion do not apply to the instant proceeding.

With regard to applicant's motion to extend, it is well known that the Board has long been liberal in granting such motions, so long as the moving party has not been guilty of negligence or bad faith, and the privilege of extensions is not abused. *See, e.g., American Vitamin Products, Inc. v. DowBrands Inc.,* 22 USPQ2d 1313, 1315 (TTAB 1992). The Board, however, also is aware of complaints that it has been too lenient in many cases and allowed over-zealous litigators to remake Board proceedings into protracted litigation. *See, generally, Notice of Final Rulemaking,* published in the *Federal Register* on September 9, 1998 at 63 FR 48081, and comments and responses published in the notice. Accordingly, the Board recently has been scrutinizing motions to extend more carefully.

In this case, we note the complete absence of support for applicant's assertion of good cause that is required for a motion to extend. Other than alluding to "unexpected, conflicting obligations" which have prevented applicant's counsel from timely responding to the summary judgment motion, applicant has provided no specific information to establish that applicant's counsel had other obligations. Consequently, we have no way to determine whether these obligations actually were "unexpected" and "conflicting." Applicant's other arguments regarding the past practices of the parties, and the possibility that applicant would pursue

settlement negotiations with opposer if the motion were granted, are not persuasive in light of opposer's responses thereto.

Simply put, applicant has failed to meet its burden of persuasion on the motion to extend. Accordingly, the motion is denied.

In view of the foregoing, applicant's response to the summary judgment motion was due on November 1, 1999. *See* 37 C.F.R. §§2.127(e)(1) and 2.119(c). While we recognize that we may treat opposer's motion as conceded pursuant to 37 C.F.R. §2.127(a) because applicant did not file a timely response, we have considered the motion on its merits due to its potentially dispositive nature.

We now turn to opposer's motion for summary judgment on priority and likelihood of confusion. In support of its motion, opposer submitted (1) the declaration of opposer's counsel, Elizabeth Barrowman Gibson, (2) a copy of our June 29, 1999 order in the related proceeding, and (3) the declaration of Beverly Ann Fittipaldo, opposer's former vice president, government and community relations, together with related exhibits.[5]

The summary judgment motion is a pre-trial device to dispose of cases in which the "pleadings, depositions,

[5] The June 29, 1999 order and the Fittipaldo declaration were attached as exhibits to the Gibson declaration. Ms. Fittipaldo

answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(c). The moving party has the burden of demonstrating, prima facie, that there is no genuine issue of material fact, and that it is entitled to judgment as a matter of law. In considering the propriety of summary judgment, the Board may not resolve issues of fact; it may only ascertain whether such issues are present. All doubts as to whether or not particular factual issues are genuinely in dispute must be resolved against the moving party, and all inferences to be drawn from the undisputed facts must be viewed in the light most favorable to the nonmoving party. *Olde Tyme Foods Inc. v. Roundy's Inc.,* 961 F.2d 200, 22 USPQ2d 1542 (Fed. Cir. 1992).

After careful consideration of the evidence and the parties' arguments, we find that there is no genuine issue of material fact remaining for trial with respect to opposer's priority of use and the likelihood of confusion.

Insofar as priority is concerned, opposer has established, through the uncontroverted sworn statements of Ms. Fittipaldo, that opposer continuously has provided its

---

still was a vice president for opposer at the time her declaration was given.

health maintenance organization services and related services under its HEALTH NET mark since 1978. That is, opposer began using its mark long prior to the earliest date upon which applicant is entitled to rely.

Thus, there is no genuine issue of material fact as to either opposer's standing or priority of use. We are aware, of course, that opposer's registration is under attack based, in part, on applicant's allegation that the first use dates are false. This pending counterclaim, however, has no bearing on opposer's undisputed showing of prior use in commerce long prior to applicant's first use. That is to say, any finding that opposer's registration was obtained by fraud, or that the underlying application is void *ab initio*, would not undermine opposer's priority of use. The undisputed facts regarding opposer's first use in commerce (either intrastate or interstate) establish opposer's priority.

With respect to likelihood of confusion, two key considerations are the similarities between the marks and the similarities between the services. *In re E. I. du Pont de Nemours & Co.,* 476 F.2d 1357, 177 USPQ 563 (CCPA 1973). We find that there is no genuine issue of material fact as to the issue of likelihood of confusion, and that opposer is entitled to judgment on the issue. *Kellogg Co. v. Pack'em*

Enterprises, Inc. 951 F.2d 330, 21 USPQ2d 1142 (Fed. Cir. 1991).

First, although we recognize that the marks are to be viewed in their entireties, it is well settled that one portion of a mark may be considered more prominent in determining similarity. In this case, it is undisputed that HEALTHNET is the dominant portion of applicant's mark. HEALTHNET is virtually identical to the entirety of opposer's mark in sound, appearance and commercial impression, differing only by a space in opposer's mark. *See Giant Food, Inc. v. National Food Service, Inc.,* 710 F.2d 1565, 218 USPQ 390 (Fed. Cir. 1983). Applicant's addition of the term HORIZONS to the term HEALTHNET is insufficient to avoid likelihood of confusion. *See, e.g., Coca-Cola Bottling Co. of Memphis, Tennessee, Inc. v. Joseph E. Seagram & Sons, Inc.,* 526 F.2d 556, 188 USPQ 105 (CCPA 1975).

Second, the services set forth in the application and opposer's registration are closely related, if not largely identical. Opposer is engaged in providing health care services in the nature of a health maintenance organization. Ms. Fittipaldo's undisputed statements include one to the effect that opposer provides, as part of its HMO services, the same services as those listed in applicant's

application. In view of the similarity of the marks and services, a potential purchaser would be likely to mistakenly ascribe a common source to the medical and hospitalization insurance underwriting services performed under opposer's HEALTH NET mark, and the mental health care cost containment and utilization review services, and provision of the names of contracted physicians and other health care professionals to interested parties, which will be performed under applicant's HEALTHNET HORIZONS mark.

Opposer's motion for summary judgment therefore is granted, and judgment is entered in opposer's favor on the issues of priority of use and likelihood of confusion in the opposition.

Finally, although opposer's motion does not specifically seek entry of judgment in its favor on the counterclaim of fraud, we already have decided this issue in favor of opposer in the related proceeding, Opposition No. 93,163. That decision applies equally here, as the counterclaim in this case is no different. Accordingly,

judgment is hereby entered in favor of opposer on the issue of fraud, and the counterclaim is dismissed with prejudice.

R. L. Simms

R. F. Cissel

T. J. Quinn
Administrative Trademark
Judges Trademark Trial and
Appeal Board